



H.R. 6052 – Saving Energy Through Public Transportation Act of 2008

EXECUTIVE SUMMARY

H.R. 6052 is being considered on the floor under a structured rule. This legislation was introduced by Representative James Oberstar (D-MN) on May 14, 2008. The bill was ordered to be reported by voice vote of the House Committee on Transportation and Infrastructure on May 15, 2008. H.R. 6052 is expected to be considered on the floor of the House on June 26, 2008.

H.R. 6052 authorizes appropriations for grants for public transit systems to improve transportation services. The legislation authorizes \$750 million each for fiscal years 2008 and 2009 for grants in urban areas. In addition, \$100 million is authorized for both fiscal years 2008 and 2009 for public transportation grants in non-urban areas. This legislation also amends the Safe, Accountable, Flexible, Efficient Transportation Equity Act (P.L. 109-59) to require all federal agencies in areas that have fixed route public transportation to offer employees subsidies to take such public transportation to and from work.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act (P.L. 109-59) was enacted in 2005 and authorizes federal funding for surface transportation projects. Public transportation use in the United States is up 32 percent since 1995. Public transportation includes buses, subways, light rail, commuter vanspools, trolleys, and ferries.

The Administration strongly opposes H.R. 6052, but has not threatened a veto.

The Congressional Budget Office (CBO) estimates that “implementing H.R. 6052 would cost \$806 million over the 2009-2013 period, assuming the appropriation of the necessary funds.”

FLOOR SITUATION

H.R. 6052 is being considered on the floor under a structured rule. The rule:

- Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Transportation and Infrastructure;
- Waives all points of order against consideration of the bill except those arising under clause 9 (regarding earmark disclosure) or 10 (regarding PAYGO) of rule XXI;
- Provides that the bill shall be considered as read;
- Waives all points of order against provisions in the bill. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure);
- Makes in order only those amendments printed in the Rules Committee report accompanying the resolution;
- Provides that the amendments made in order may be offered only in the order printed in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to an amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole;
- Waives all points of order against the amendments printed in the report except for those arising under clause 9 or 10 of rule XXI;
- Provides one motion to recommit with or without instructions;
- Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker; and
- Allows the Speaker to entertain motions to suspend the rules on the legislative day of Thursday, June 26, 2008, relating to (1) a measure concerning the Commodity Exchange Act and energy



LEGISLATIVE DIGEST

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markets; (2) a measure concerning the issuance of oil and gas leases on Federal lands or waters.

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SUMMARY

Public Transportation Grants: H.R. 6052 authorizes appropriations for grants for public transit systems to improve transportation services. The legislation authorizes \$750 million each for fiscal years 2008 and 2009 for grants in urban areas. In addition, \$100 million is authorized for both fiscal years 2008 and 2009 for public transportation grants in non-urban areas. These funds will be apportioned according to existing guidelines in Federal law. Under this provision, the Secretary of Transportation may only make such grants if the recipient is in the process of reducing fares charged for public transportation, or if the recipient is in the process of expanding public transportation service. These grants are funded 100 percent by the Federal government, and will remain available for a period of two years.

Clean Air Act Grants: H.R. 6052 requires that public transportation grants which involve acquiring clean fuel or alternative fuel equipment or facilities will be funded at 100 percent by the Federal government, unless the grant recipient requests less. The existing federal share for these types of projects in 90 percent.

Transportation Fringe Benefits: This legislation amends the Safe, Accountable, Flexible, Efficient Transportation Equity Act (P.L. 109-59) to require all federal agencies in areas that have fixed route public transportation to offer employees subsidies to take such public transportation to and from work. The Secretary is required within 60 days of enactment to issue guidance to federal agencies on implementation of this transportation fringe benefits program. The Secretary must report to Congress during the year of enactment, and every three years thereafter, on the nationwide implementation of the program.

Vanpool Pilot Program: H.R. 6052 directs the Secretary of Transportation to establish and implement a vanpool pilot program in up to three urban areas and two non-urban areas in fiscal years 2008 and 2009. The pilot program allows for vanpools to expand vanpool service by allowing private vanpool operators to count van acquisition costs toward the local match and to require excess revenues to be used to by additional vans. The Secretary must report to Congress within a year on the costs, benefits, and efficiencies of the vanpool demonstration projects.

Fixed Guideway Station Grant: The bill provides for a grant during fiscal years 2008 and 2009 for a capital project to acquire property, design, engineer, or construct parking facilities at an end-of-line fixed guideway station. The federal share of this project will be 100 percent of the capital cost, unless the grant recipient requests less.

Note: "Fixed guideway station" refers to a station for transit systems including subway, commuter rail, light rail, trolleys, ferries, and exclusive right-of-way buses.

BACKGROUND

The Safe, Accountable, Flexible, Efficient Transportation Equity Act (P.L. 109-59) was enacted in 2005 and authorizes federal funding for surface transportation projects and related programs through fiscal year 2009. Currently, federal agencies located in the National Capital Region offer subsidies for their employees to utilize public transportation. Federal employees located outside the NCR may elect to reduce their pre-tax income by an amount equal to their transit or vanpool expenses, up to a maximum of \$100 per month. This legislation would require all federal agencies to offer transportation fringe benefits, if public transportation exists where that agency is located.



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Public transportation use in the United States is up 32 percent since 1995. Public transportation includes buses, subways, light rail, commuter vanpools, trolleys, commuter rail, and ferries. The Metro, the MARC and VRE commuter rail systems, and the WMATA bus system in the National Capital Region are examples of public transportation systems. Over ten billion trips representing 52 billion passenger miles of transit services were provided in 2006, according to the Department of Transportation (DOT).

The Department of Transportation administers financial and technical assistance to local public transportation systems through the Federal Transit Administration (FTA). The current Administrator of the FTA, appointed by the President, is James S. Simpson. The FTA is authorized by the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (P.L. 109-59).

[Federal Transit Administration](#)

AMENDMENTS MADE IN ORDER

- 1) Rep. James Oberstar (D-MN) REVISED – Would add a finding that public transportation stakeholders should engage local communities in promoting the importance of using public transportation. It would amend section 3 (grants to improve public transportation services) to clarify that transit agencies may use these new grants to offset the increased cost of fuel to transit agencies. It also clarifies that intercity bus service and acquiring facilities or equipment to improve fuel efficiency are eligible activities under the bill. It would require the Transportation Secretary to carry out consumer awareness programs on the benefits of alternative transportation.
- 2) Reps. Tom Davis (R-VA) and James McGovern (D-MA) REVISED – Would amend section 5 (transportation fringe benefits) to authorize increasing the transit portion of the transportation fringe benefit so it is equal to the maximum limit of the parking portion of the transportation fringe benefit.
- 3) Rep. Tim Mahoney (D-FL) – Would provide an exception to section 526 of the Energy Independence and Security Act (regarding procurement and acquisition of alternative fuels) by exempting contracts for generally available fuels that are not predominately produced from noncontroversial petroleum sources if (1) the contract does not require the contractor to provide alternative fuels, (2) the purpose of the contract is not to obtain an alternative fuel, and (3) the contract does not provide incentives for a refinery upgrade or expansion to allow a refinery to use or increase its use of fuel from a noncontroversial petroleum source.
- 4) Rep. David Reichert (R-WA) – Would amend section 7 (federal share for fixed guideway stations) to create a 100% Federal share for park-and-ride lots that serve fixed route commuter bus routes of more than 20 miles in length.
- 5) Rep. Paul Hodes (D-NH) REVISED – Would allow funds authorized in section 3 of the bill (regarding grants to improve public transportation services) to be used by states to establish or expand commuter matching services to provide commuters with information about alternatives to single occupancy vehicle use.

ADDITIONAL VIEWS

According to a Statement of Administration Policy:

"The Administration strongly opposes House passage of H.R. 6052... While this bill may induce additional transit ridership, it would penalize efficient operations by creating a perverse incentive to incur operating deficits to trigger grant funding eligibility. Federal subsidies should encourage improvement in operating efficiencies, not penalize such efforts; otherwise, transit operators risk becoming permanently reliant



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upon this type of assistance. Moreover, expanding transit benefits to additional Federal employees would require agencies to reduce programs and services to fund this mandate."

[Statement of Administration Policy \(6/25/08\)](#)

COST

The Congressional Budget Office (CBO) estimates that "implementing H.R. 6052 would cost \$806 million over the 2009-2013 period, assuming the appropriation of the necessary funds."

[Full CBO Cost Estimate for H.R. 6052](#)

STAFF CONTACT

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